

February 5, 2007

Tracie L. Billington, P.E.
Department of Water Resources, Division of Planning & Local Assistance
901 P Street, Room 213-A, P.O. Box 942836
Sacramento CA 94236-0001

Ms. Shahla Farahnak
State Water Resources Control Board
Division of Financial Assistance
1001 "I" Street, 16th Floor
Sacramento, CA 95814

RE: Support for \$12.5 million grants to the applicants from Northern Santa Cruz County and the Monterey County Water Resources Agency

Dear Ms. Billington and Ms. Farahnak:

I am writing in support of the staff recommendation to provide Integrated Regional Water Management (IRWM) plan implementation grant funding of \$12.5 million to the applicants from both Northern Santa Cruz County and the Monterey County Water Resources Agency.

These proposals have already established their merit through the extensive evaluation process and it is critical that the identified projects in these IRWM plans be implemented to achieve the water quality and water supply goals. The IRWM grants are needed now, not only to address urgent and critical water needs but also to keep the IRWM process moving forward in the Monterey Bay region. Many of the needs are extremely time sensitive, such as the water system improvements to meet public health standards in Davenport and sediment total maximum daily load (TMDL) implementation on the San Lorenzo River.

Most of the critical projects proposed in these IRWM plans cannot be implemented in the foreseeable future without Proposition 50 funds or other funding assistance. Awarding these proposals now will leverage and keep intact their local matching contributions. The technical, financial, agency coordination, stakeholder input and political processes are in place to successfully implement these IRWM plans. If these applicants fail to secure this funding, escalating construction and implementation costs will diminish the amount of good work they can accomplish.

There are important state benefits that will be realized with the implementation of these IRWM plans. These IRWM grants will be used to address critical coastal water supply

problems in a self-sustaining way, meeting Proposition 50's aim of reducing reliance on imported water. These Northern Santa Cruz IRWM plans also address critical TMDL implementation goals. Further, these proposals will also aid in achieving the state's goal of coho salmon and steelhead recovery.

The applicants from Northern Santa Cruz County and the Monterey County Water Resources Agency invested considerable efforts toward preparing the IRWM plans and toward applying for the Proposition 50 grant funding for implementation of high priority projects identified in their IRWM plans. Awarding grants to these entities will result in wise use of public funds at the local level, because agencies that prepared Step 2 proposals will be spared the considerable expense of repeating the application process at a later date. Some agencies spent over \$500,000 in local funds preparing these proposals. Awarding grants to those who have already applied and shown merit makes good sense.

Despite the state's significant investment in this round of IRWM funding, I know that many urgent water supply and water quality needs in my district and throughout the state remain. I hope to see these applicants have an opportunity to apply for additional state bond funds in the near future.

I urge you to award \$12.5 million in IRWM grant funding to the applicants from Northern Santa Cruz County and the Monterey County Water Resources Agency. Thank you for your consideration.

Sincerely,

JOHN LAIRD
Assemblymember, 27th District

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